

**Hearing Date and Time: December 7, 2010  
at 2:00 p.m., ET**

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-and-

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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re

Chapter 11

MOTORS LIQUIDATION COMPANY, *et al.*,  
f/k/a General Motors Corp., *et al.*,

Case No. 09-50026 (REG)

Debtors.

(Jointly Administered)

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**OBJECTION OF ENVIRONMENTAL CLAIMANT  
ONONDAGA COUNTY, NEW YORK TO THE DEBTOR'S  
PROPOSED AMENDED CHAPTER 11 PLAN AND DISCLOSURE STATEMENT,  
DATED DECEMBER 3, 2010**

The County of Onondaga, State of New York (the "County" or "Onondaga County"), by and through its undersigned counsel, submits these objections and comments to the proposed Amended Disclosure Statement with Respect to the Joint Amended Chapter 11 Plan Proposed by Motors Liquidation Company, f/k/a General Motors Corp., and respectfully states as follows:

## BACKGROUND

1. Onondaga County, New York (the "County") filed a three-pronged proof of claim for reimbursement and/or the payment of funds resulting from environmental contamination of various Debtor-owned or Debtor-contaminated sites located in Onondaga County, New York premised on the Debtors' liability under federal statutory law and/or purchase/sale and indemnification agreements entered into by the County and the Debtors.

2. Specifically, the claims concern (a) the so-called PCB Dredge Spoil Site that is owned by the Debtor which is contaminated with PCBs originally discharged from the Debtor's environmentally impacted Inland Fisher Guide (IFG) facility located in Onondaga County adjacent to Ley Creek; (b) a United States Environmental Protection Agency (EPA) claim with respect to PCB contamination detected in Lower Ley Creek, downstream of the former IFG facility and extending to the mouth of the Creek where its discharges into Onondaga Lake, and (c) a joint EPA/State of New York claim with respect to the overall Onondaga Lake Superfund site, including PCB contamination of Onondaga Lake sediments.

3. On or about January 11, 2010, the Debtors filed a Motion for an Order for authorization to implement alternative dispute resolution procedures, including mandatory mediation, to establish a procedure for resolving Unliquidated/Litigation claims in order to quantify the sum of general unsecured claims (the "ADR Procedures Motion").

4. On or about February 2, 2010, the County filed an objection to the ADR Procedures Motion (the "ADR Objection") solely as to the proposed handling of environmental claims. As a result of other similar objections, and perhaps due to the first reports of on-going negotiations of environmental claims issues between the Debtors and federal and state environmental officials, the County's claims were excluded from the ADR procedures pursuant to Court Order dated February 23, 2010 (the "ADR Procedures Order"). See attached "Exhibit A"

5. Notwithstanding the Order referenced in Paragraph 6 above, the proposed Amended Disclosure Statement (and Amended Plan) state Unliquidated Litigation Claims, but not Unliquidated Environmental Litigation Claims of the United States and state and tribal governments, are subject to the previously approved ADR procedure. (Amended Disclosure Statement at Section III (H)(1)(d) Page 101.

6. The Amended Disclosure Statement incorrectly states, by omission from the stated exception, that the environmental claims of Onondaga County, New York (and other similarly situated) are subject to the Court's ADR Order. They are not.

7. Prior to or as a condition to approving the proposed Amended Disclosure Statement the court should require that, pursuant to the terms of the ADR Order entered on February 23, 2010, the Amended Disclosure

Statement be further amended to state that the Environmental Claims of Onondaga County, New York and/or or any other similarly situated parties (e.g., Town of Salina, New York) are not subject to the requirements of the ADR Order. The Amended Plan should likewise be further amended to reflect incorporation of the ADR Order.(Amended Plan at Section 4.3(d), Section 7.1(d)).

8. The Amended Disclosure Statement and Amended Plan should be revised to clearly and unambiguously reflect that with respect to environmental claims classified as “Property Environmental Claims” the proposed Consent Decree and Settlement Agreement that would establish the Environmental Trust represents the mechanism through which the Debtors and the respective Governments have resolved 100% of Debtors' Environmental Liabilities (i.e., allocable share) for Environmental Actions with respect to and for such properties and the entirety of all migrating hazardous substances emanating from all such properties.

9. The County respectfully submits that any approval of the Amended Disclosure Statement should reflect that the Amended Disclosure Statement remains subject to the United States filing both any public comments on the proposed Consent Decree and Settlement Agreement that would establish the Environmental Trust and the Government’s responses to

those comments; the United States requesting that the Bankruptcy Court approve the proposed Consent Decree and Settlement Agreement and the Court, in fact, approving the proposed Consent Decree and Settlement Agreement.

10. Nothing contained herein shall be deemed to be a waiver by the County of any rights it may have under applicable law and the County of Onondaga reserves the right to amend and supplement its objections, and to object or otherwise respond to the approval, confirmation and implementation of the Debtors' Plan on any grounds outlined herein and any other grounds available.

WHEREFORE, the County of Onondaga respectfully requests entry of an Order (i) Amending the Proposed Revised Debtors' Disclosure Statement as set forth above; and (ii) for such other and further relief as this Court deems just and proper.

Dated: Syracuse, New York  
December 7, 2010

Attorneys for Claimant  
Onondaga County, New York

By: /s/Luis A. Mendez, Esq.

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